



**Great Lakes Works**  
Environmental Dept.  
No. 1 Quality Drive  
Ecorse, Michigan 48229



February 21, 2019

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Compliance Tracker  
Air Enforcement and Compliance  
Assurance Branch  
U. S. Environmental Protection Agency  
Region 5  
77 West Jackson Blvd.  
Chicago, IL 60604

Sir/Madam:

Re: *United States, et al. v United States Steel Corporation*  
Consent Decree 2:12-cv-304, DJ# 90-5-2-1-06476/1  
United States Steel Corporation – Great Lakes Works

Since entering the above-referenced Consent Decree, U. S. Steel has been engaged with U. S. EPA and interested parties in completing the “Replacement of Lighting ballasts and Light Bulbs in Public Schools in Detroit/Ecorse/River Rouge, Michigan” Supplemental Environmental Project (SEP). Because the SEP was proposed by others than U. S. Steel, but agreed to by U. S. Steel, we reached out to U. S. EPA in April 2017 to get more information (e.g., identification of schools) for which the SEP could be completed. U. S. EPA put U. S. Steel in contact with Elevate Energy who has the expertise of completing similar projects. After several telephone calls regarding implementation of the SEP, Elevate submitted a proposal to complete the SEP. However, in May 2018, Elevate advised U. S. Steel that it could not complete the SEP as proposed. As discussed during the October 15, 2018 call between U. S. EPA, USDOJ, Elevate Energy, and U. S. Steel, despite diligent efforts by all involved, it was determined that the SEP as written in the Consent Decree could not be completed as originally contemplated due in large part to a lack of PCB-containing lights within the schools in the designated areas within the Consent Decree.

Therefore, pursuant to Paragraph F of Section II of Appendix A of the above-referenced Consent Decree, U. S. Steel is submitting a proposal and deadline for the Replacement of Lighting Ballasts and Light Bulbs in Public Schools in Detroit/Ecorse/River Rouge, Michigan Supplemental Environmental Project.

Since the October meeting, U. S. Steel has worked with Elevate Energy to find suitable locations to fulfill

*Patricia*

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the same objectives of the original SEP. For your reference, we have attached Elevate Energy's revised proposal. Elevate has already identified and communicated with prospect locations to fully complete the SEP with a one-year extension of the original completion date. The locations found are primarily in the Detroit and Southwest Detroit areas and include Recreation and Family Centers.

U. S. Steel respectfully requests that USDOJ, USEPA, and MDEQ agree to the SEP with the updated locations and project schedule which would be memorialized in a separate agreement pursuant to the terms of the Consent Decree. We believed it was appropriate to bring this to your attention and get your comments before drafting an agreement.

If you have any questions regarding this matter or require additional information, please contact Alexis Piscitelli at 313-749-3900 or [apiscitelli@uss.com](mailto:apiscitelli@uss.com).

Sincerely,



Alexis Piscitelli  
Director, Environmental Control  
Great Lakes Works  
United States Steel Corporation

cc: Abigail Corso, PE LEED AP O+M – Elevate Energy (via email)  
Arnold Rosenthal, Esq. - USDOJ (via email)  
Eric Cohen, Esq. - USEPA (via email)  
Thomas Martin, Esq. - USEPA (via email)  
Neil Gordon, Esq. - Michigan Dept. of Attorney General (via email)  
David Hacker, Esq. – U. S. Steel (via email)

Attachments

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**ELEVATE ENERGY**  
Smarter energy use for all

January 29, 2019

Christopher W. Hardin  
Environmental Affairs  
United States Steel Corporation  
Office: 412-433-5904  
Cell: 412-735-8097  
Email: [cwhardin@uss.com](mailto:cwhardin@uss.com)

RE: Updated Proposed Supplemental Environmental Project to Retrofit of Lighting Ballasts  
Containing PCBs in City of Detroit, Michigan Public Facilities

Dear Mr. Hardin:

Elevate Energy (Elevate) is pleased to present this proposal to perform work as a Supplemental Environmental Project to retrofit certain facilities located in Detroit, Michigan metro area to remove, properly dispose of, and replace lighting ballasts containing polychlorinated biphenyls (PCBs). Our team has extensive experience addressing health and safety challenges in buildings, and we are prepared to apply our expertise to ensure the success of this project.

If this proposal is accepted by the United State Steel Corporation, Elevate would be available to commence work immediately upon the execution of a project agreement and receipt of initial payment from the respondent.

### **About Elevate Energy**

Elevate has over fifteen years of experience addressing complicated energy and building-safety challenges both in the Chicago region and throughout the United States. Elevate is a nonprofit organization with a mission of designing and implementing efficiency programs that lower costs, protect the environment, and ensure the benefits of energy efficiency reach those who need them most. In the process, we improve the health, comfort, and safety of the building stock we work on.

We have worked with building owners and managers to retrofit buildings for energy and water efficiency, resulting in improvements to more than 35,000 multifamily units and numerous childcare facilities, schools, social service agencies, and houses of worship in the Chicago area, and throughout the Midwest. The improvements reduce energy costs while increasing safety and comfort, helping to preserve vital buildings in the communities in which working families live, work, and play. Our multifamily program, from which our non-profit and schools retrofit program has been adapted, has been nationally recognized and is widely cited as a model.



Elevate helps nonprofit childcare centers, schools, social service agencies, and houses of worship cut operating costs by providing complete assessment of these facilities, expert advice on the best energy efficiency improvements, financing options, and construction management and oversight that result in energy and water-savings. As a nonprofit organization with experience helping thousands of building owners save money and energy, we make it as easy as possible to improve facilities. Organizations we work with save thousands of dollars on operating costs and improve the safety of their buildings, as well as the health of those who occupy them.

Elevate's team numbers 100 staff members who have a broad range of expertise. Our team includes engineers, construction specialists, data analysts, urban planners, energy analysts, project managers, writers, designers, marketing and outreach specialists, accountants, researchers, and other subject matter experts. Our construction management team has extensive experience working with contractors and has overseen hundreds of lighting retrofits. Our staff in Michigan would be leading the management of this project. In addition to the implementation of efficiency programs, we perform high-impact applied research to inform local, regional, and national energy efficiency and renewable energy stakeholders.

## **Project Plan**

### **1. Identify target facilities**

Elevate will coordinate with the City of Detroit General Services Department, Detroit Public Schools Community District (DPSCD), and the Michigan Agency for Energy to coordinate with two public schools and five recreations centers in Detroit that have not had or have had limited lighting upgrades. These include Adam Butzel Recreation Complex, Clemente Recreation Center, Williams Community Center, Butzel Family Center, Lasky Recreation Center, and Ann Arbor Trail Magnate Middle School and Ronald Brown Academy. Facilities within the Southwest Detroit neighborhood will be prioritized. Additionally, Elevate will meet with city and school officials that have been involved in past school lighting projects to discuss lessons learned, contractor selection, bulk purchasing opportunities, etc. Priority criteria includes: public schools that are part of the school district as opposed to a charter school; schools built prior to 1979; schools with lighting that contains magnetic T-12 lighting and/or has not been appreciably updated; building conditions that would impact lighting upgrades; and the neighborhood where the school is located. Where possible, we will build on existing studies related to lighting upgrades.

### **2. Conduct lighting assessments**

Elevate will visually verify the age of the lighting in the target buildings identified through the activity 1 screening process. For those buildings where lighting has not been updated since 1990, Elevate will then conduct an onsite assessment. For proposal purposes, we are assuming that a two person team from Elevate will conduct assessments on up to 7 facilities. The assessment will include a site walkthrough, identification of upgrades to lighting throughout the buildings, and a lighting count. Elevate will develop an assessment report that identifies the lighting upgrades, estimated cost to implement, and estimated energy savings. The onsite assessment and report will be used as the basis for developing a scope of work for lighting and PCB abatement contractors to develop cost proposals.

### 3. Contractor Selection

Based on the onsite assessments, Elevate will prepare a scope of work for lighting and abatement contractors to provide pricing on lighting replacement and proper removal and disposal of fixtures and PCB containing ballasts. Elevate will coordinate with the Michigan Agency for Energy, City of Detroit, and DPSCD on final RFP language and contractor requirements. Contractors will be asked to provide bids based a scope of work consistent with the Consent Decree and which includes replacement ballasts and light bulbs that are electronic and have an energy efficiency that is equivalent to or better than T-8 (based on energy efficiency standards set by the U.S. Department of Energy) with preference given to LED light fixtures, when feasible. We will request that the final treatment facility for the disposal of the PCB waste be identified at the time of bid. The scope of work will be provided to at least three licensed lighting contractors. We are assuming that the lighting contractors will subcontract to the abatement contractor for the handling and disposal of the PCB containing ballasts. However, Elevate will review the credentials and experience of the abatement contractor and will accept or reject the selected abatement contractor. Bids will be reviewed based on experience, quality of work, price, and eligibility for utility incentive programs. Walk-throughs of the property will be scheduled for potential contractors as needed.

Elevate will coordinate with Michigan Agency for Energy, and facility managers to identify appropriate contractors and perform due diligence including checking licensing, references, and past work sites. Contractors will ideally be Michigan based and will have in place and up to date all appropriate state and city licenses as applicable for completing the work. Elevate will review the State of Michigan business database as part of the contractor selection due diligence process.

### 4. Construction Management

Elevate will work with the selected contractor to schedule work at the schools through the school corporation. It is anticipated that work will be completed during the summer or winter breaks to avoid disruption in the school schedule. An Elevate construction management expert will be onsite during the removal of the old lighting to ensure: the materials- fluorescent tubes and ballasts- are removed and handled appropriately; areas where PCB ballasts are being removed and stored are properly managed; and proper cleaning of any PCB contamination or fixtures is completed. Once the ballasts are removed from the facility, Elevate will request and review the hazardous waste manifests from the transporter and the certificate of destruction from the treatment, storage, and disposal facilities to ensure the materials have been properly handled and disposed of after removal from the sites in accordance with 40 CFR Part 761 as required by the Consent Decree.

Elevate will also be onsite during installation of the new lighting and will conduct a final inspection once the new lighting is installed. Once the new lighting is installed, Elevate will document the change out and complete the utility rebate application forms with DTE, the investor owned utility in Detroit, to secure utility rebates for the lighting upgrades. Elevate will coordinate timing of rebates with DTE as these rebates will likely go directly to the contractor. Currently, DTE offers lighting rebates. Elevate will also work with the Michigan Agency for Energy to leverage State of Michigan incentives. Based on allowable program requirements, rebates will be applied to the project and/or to the facility. U. S. Steel will not receive credit or reimbursement related to any rebates leveraged for these projects. The lighting contractor will



be paid directly by Elevate from the project funds and/or available rebates upon project closeout.

## 5. Reporting and Documentation

Elevate will provide quarterly reports documenting the progress against the project plan and funds expended to date until the project funds are exhausted. The quarterly reports will also contain details on the facility, location, and project costs along with assurances that each school met program requirements.

In accordance with the Consent Decree filed March 30, 2017, Elevate shall provide a final report that includes:

- A detailed description of the Lighting Replacement SEP including identification of the facilities addressed, number of users, location, and a list of expenditures of funds and number of fixtures replaced at each location;
- A description of the replacing lighting including information on expected energy savings based on replacement;
- Documentation that lighting ballasts were properly disposed in accordance with 40CFR Part 761;
- A description of problems encountered in completing the project, if any, and solution;
- An itemized list of all project costs and documentation of all expenditures;
- Evidence the project was completed (i.e. photos, vendor invoices/receipts, correspondence from the facilities); and,
- To the extent possible, documentation supporting the quantification of the benefits of the project and an explanation of how the benefits were measured/estimated.

## 6. Estimated Project Costs

Elevate will charge the costs of the contractor and other direct costs to the program without mark-up. These costs will vary based upon the needs identified in each school and the size of the school; however, Elevate estimates we will be able to complete up to 7 facilities depending on the type and size. A cost summary based on available SEP funds is provided below.

Activity	Estimated Cost
SEP Administration Completed in 2018	NONRESPONSIVE
SEP Program Administration @ 10% (Inclusive of Activities 1 through 5 itemized above)	
Contractor Services for Lighting Upgrades	
TOTAL	

Elevate will leverage rebates and incentives available at the time of the project implementation through DTE and the State of Michigan. In accordance with allowable rebate program requirements rebates could be used to reduce the cost of the projects which could allow Elevate to complete additional lighting projects and/or expand the scope of work in the selected schools. It is our understanding that the State of Michigan funds will be provided directly to the

schools and can be used by the schools at their discretion. U. S. Steel will not receive credit or reimbursement related to any rebates leveraged for these projects.

## 7. Schedule

Elevate will commence work upon completion of the contracting process. It is estimated that Tasks 1 through 3 will require approximately 3 months to complete. Lighting upgrades will ideally be completed as necessary based on the scope of the project. All work and reporting will be completed by December 2019 prior to the revised Effective Date of the Consent Decree assuming lighting upgrades can be completed that is amenable to the facilities.

Thank you once again for the opportunity to offer this proposal. We would be happy to work with your team to adjust any aspect of it to better suit the need of United States Steel Corporation and the communities. If you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,



Abigail Corso, P.E., LEED AP O+M  
Chief Program Officer  
Elevate Energy